# GOVERNMENT OF INDIA
# SHIPPING
# LOK SABHA

STARRED QUESTION NO:332
ANSWERED ON:12.12.2001
PROCUREMENT OF OLD SHIPS
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**Will the Minister of SHIPPING be pleased to state:**

(a) whether the Shipping Corporation of India had acquired old ships from M/s Scindia Wasp Shipping Company Limited;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government had made any estimate in regard to the cost of these ships and their operational life span prior to their acquisition;

(d) if so, the details thereof and the actual cost incurred on repair of these ships alongwith the details of losses suffered; and

(e) the action initiated against concerned officials?

## Answer

MINISTER OF SHIPPING (SHRI VEDPRAKASH P. GOYAL)

(a) Yes, Sir.

(b) The two second hand ships purchased at US$ 4.355 million were m.v. Jala Gouri (renamed m.v. Veer Savarkar) and m.v. Jala Govind (renamed m.v. Trimbakeshwar). These vessels were acquired by Shipping Corporation of India (SCI) based on their market perception and keeping in view the requirement of general cargo vessels projected in SCI`s 8th Five year Plan.

(c) & (d) No, Sir. However, SCI has estimated the cost of the ships and their operational life prior to their acquisition.The actual cost incurred on repair of m.v. Jal Govind (renamed as m.v. Trimbakeshwar) was Rs.5.85 crores and that on m.v. Jala Gouri (renamed as m.v. Veer Savarkar) was Rs.5.30 crores. SCI incurred losses in the operation of these vessels, the details of which are given below:

(Rs. in Lakhs)

| Year | m.v. Trimbakeshwar | m.v. Veer Savarkar |
|---|---|---|
| 1994-95 | 274 | 207 |
| 1995-96 | 34 | 209 |
| 1996-97 | 116 | 21 |
| 1997-98 | | 1169 381 |
| 1998-99 | 316 | 255 |
| Total | 1909 | 1073 |

(e) The matter is currently under investigation by the Central Bureau of Investigation(CBI).